THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.2585 of 2002

ORDER:

The petitioner is Carpentry Workers Industrial Cooperative Society Limited. The case of the petitioner society is that it is a viable society having a total membership of 14 carpenters. Their main occupation is doing carpentry works and they are eking out their livelihood from the income derived from the carpentry work. The main object of the society is to carry carpentry works by purchasing wood from the Government and private Timber Depots on subsidy rates and making the wood furniture and the income earned is being distributed among the members of the society. The society made an application to the A.P. Khadi and Village Industries Board, Hyderabad for grant of loan for constructing shed and to purchase the machinery for starting Sawmill. After considering the said representation, the Khadi Board has granted a loan of Rs.1,55,000/- to the petitioner society by keeping the original documents of immovable property in its custody as security. The petitioner society, after obtaining loan, constructed the building, obtained licence for running Sawmill and and other licences from the respective departments. Further, the elections to the society were held on 8.5.1997 and one Brahmaji Rao was elected as President and other four members were elected as Directors of the Society for a period of five years upto 31.12.2002. While so, the impugned order dated 7.12.2001 purported to be under Section 65(1) of the A.P. Cooperative Societies Act, 1964 (for short 'the Act') was passed by the second respondent appointing third respondent as liquidator in respect of the petitioner society. Aggrieved by the same, the present writ petition is filed.

It is the contention of the learned counsel for the petitioner that

before passing the impugned order appointing third respondent as Liquidator, no notice of any kind was issued to the petitioner society. Apart from that Section 64 of the Act contemplates for winding up of the society. Neither any winding up proceedings were taken up nor any notice was given to the petitioner at any stage and suddenly the impugned proceedings were issued.

Heard both sides and perused the material available on record.

Since the impugned order does not indicate as to passing of any orders under Section 64 of the Act for winding up of the petitioner society, nor it indicates as to any notice was issued to the petitioner society before passing the impugned order, I am of the opinion that the impugned order is liable to be set aside.

In the result, the writ petition is allowed and the impugned order dated 7.12.2001 passed by the second respondent and the consequential letter dated 15.1.2002 issued by the third respondent are set aside. However, this will not preclude the respondents from taking any appropriate action as per law, if they are so advised. There shall be no order as to costs.

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C.V.RAMULU, J

Date: 20.7.2006
DA

THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.2585 of 2002

20.7.2006

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH AT HYDERABAD

THE HON'BLE SRI JUSTICE C.V.RAMULU

W.P.No.2585 of 2002

Dated: 20th July, 2006

Between:

Sree Bapuji Carpentary Workers
Industrial Cop. Society Ltd., rep. by its

President K.Brahmaji Rao.

.. Petitioner

and

The District Registrar of Cooperative Societies,
Kakinada, East Godavari District & others.

.. Respondents